COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY 2003 INTEGRATED GAS RESOURCE PLAN Docket No. D.T.E. 03-52

COMPANY'S RESPONSES TO THE DEPARTMENT'S FIRST SET OF INFORMATION REQUESTS

- DTE-1-42 (a) Please discuss, in full, Fitchburg's contingency plan(s) in the event its contracted gas supply resources become unavailable due to equipment failure, decrease in pipeline pressure, force majeure,
 - (b) Please identify the circumstances/scenarios Fitchburg considered in designing its contingency plan.

Company Response:

Fitchburg contracts for firm delivery of all firm customer needs to meet a design cold winter's load requirements. The Company injects gas into its contracted underground storage to be at an "operationally full" level by October 31 of each year, leaving a small portion empty for pipeline balancing. The Company also performs a summer fill of its propane and LNG storage in order to have those facilities operationally full prior to the winter season. The LNG plant and the Propane plant each have backup vaporization facilities to allow the plants to operate when important portions of the plants are out of service. There are multiple air compressors at the propane plant which allow continued operation even if one or more compressors are out of service and there are multiple propane unloading facilities so Fitchburg could be able to unload trucks if one of the unloading stations were unavailable. In addition, the current peak load requires 429Dth more than either the vaporization capacity of the LNG plant or the propane plant, so there is significant backup ability provided by the two plants for the volumes of local peak shaving gas needed to meet design day needs. The LNG and propane plants can be used to support local needs if delivery pressure from Tennessee Gas Pipeline ("TGP") drops to the point that the firm contract volumes cannot be delivered to Fitchburg. To the extent firm deliveries were not being made from TGP, Fitchburg operational staff would be in contact with TGP staff to determine the cause, duration and cure for the problem.

If a firm gas supply was curtailed, Fitchburg would look to utilize other firm resource suppliers under contract that may have additional supply available at the time the contingency occurred. This could include use of gas withdrawn from underground storage and use of LNG or propane. If there were no unused firm resources under contract, Fitchburg would seek replacement suppliers from those companies that it has GISB or NASB umbrella contracts with in order to make a spot purchase and would seek additional suppliers should those suppliers not have gas available.

The Company would utilize the Northeast Gas Supply Association Gas Supply Information Manual and contact other neighboring gas companies in New England to see if they had additional gas available for purchase.

Specific contingencies that Fitchburg has considered are:

- 1.) curtailment of gas deliveries to city gate due to supplier nonperformance
- 2.) curtailment of gas delivery to city gate due to force majeure such as supply disruption due to hurricanes, freeze-offs or pipeline failures
- 3.) curtailment of gas deliveries to city gate due to equipment problems on the TGP system resulting in low delivery pressure
- 4.) unavailability of the TGP pipeline on the Fitchburg lateral that would curtail all pipeline deliveries to Fitchburg
- 5.) curtailment of gas deliveries from underground storage due to equipment problems associated with storage withdrawals
- 6.) disruption in local peaking supply delivery due to supplier nonperformance
- 7.) disruption in local peaking supply delivery due to truck transportation disruption (weather, equipment failure, equipment availability, labor dispute)
- 8.) local peak shaving plant failures.

To some extent, each of the items above has occurred in the past. No firm customer curtailments have occurred in the past 20 years due to such contingencies. Backup facilities have been added to the local production facilities to increase their ability to provide the critical reliability appropriate to their function.

Person Responsible: David K. Foote